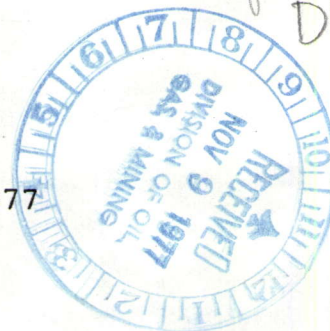


DOE/017/003
SHELCO, INC.
1820 South Main Street
Suite 100
Salt Lake City, Utah 84115



October 28, 1977

Mr. Donald G. Prince
Division of State Lands
105 State Capitol Building
Salt Lake City, Utah 84114

Re: Metalliferous Mineral Lease
Number 34281

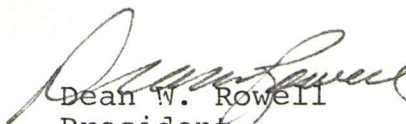
Dear Mr. Prince:

Find attached hereto our check in the amount of \$618.80 for royalty due the State on the subject mineral lease.

The minerals mined under subject lease were uranium and vanadium. We also attach hereto a copy of our settlement sheet from Atlas Corporation along with calculations for distribution of the funds received.

Should you need additional information, please let us know.

Very truly yours,


Dean W. Rowell
President

DWR:drg

Enclosures

cc: Division of Oil, Gas & Mining

SHELCO, INC.
1820 South Main Street
Suite 100
Salt Lake City, Utah 84115

October 28, 1977

SETTLEMENT ML 34281

Atlas Ore Lots #786, #801 and #802:

Gross Amount		\$5,388.69
Freight	\$338.53	
Mine Development	99.76	<u>438.29</u>
Total for royalty calculation		\$4,950.40
State royalty @ 12½%	618.80	
Shelco royalty @ 7½%	371.28	<u>990.08</u>
Net amount for distribution		<u><u>\$3,960.32</u></u>

P. O. BOX 488
MOAB, UTAH

Receiving Station: Moab, Utah

Mining Claim S.L. 34281

Lot No. 802

* E & MJ refinery domestic copper wire bar quotation average month ending

Date Oct. 10, 1977

Month Sampled Sept., 1977

Month Received Sept., 1977

Correct:
Checked:
Approved:

Net Weight Pounds		% H ₂ O	Dry Weight Pounds	SETTLEMENT ASSAYS				CONTENTS - POUNDS			
				U ₃ O ₈	V ₂ O ₅	CaCO ₃	Cu	U ₃ O ₈	V ₂ O ₅	CaCO ₃	Cu
21,060	6.1		19,775	.442	4.5			87.41	889.88		
				per lb.		per ton		short tons		Total Value	
.442 % =						120 90		42.25		1,942.52	
Development Allowance 87.41				50				9.8875 X 26.00		43.71	
TOTAL U ₃ O ₈ VALUE										1,986.23	
Cu											
% Less		% =		% =							
Pay	% or	Lbs. @	\$ =								
Less Milling Charge											
Haulage Allowance @ 5.885				Per wet ton				10.5300		61.97	
V ₂ O ₅ 2.287109											
4.50% V2O5 = 889.88 lbs. V2O5 @ .81 X 2.25										732.69	
TOTAL GROSS VALUE										\$ 2,780.89	
DEDUCTIONS								AMOUNT			
NET AMOUNT DUE:										\$	

For Office Use Only

I certify that I am the lawful owner (or his authorized representative) of the ore described above, also that I have the legal right to transfer title thereof to Atlas Corporation which is hereby done. Settlement for said ore, as shown above, is in accordance with the ore schedule in your ore purchase contract and is accepted as correct.

Seller or Agent

Title

(Please sign and return yellow copy promptly as evidence of acceptance)

ATLAS MINERALS

DIVISION OF ATLAS CORPORATION

P. O. BOX 488
MOAB, UTAH

Correct: _____
Checked: _____
Approved: _____

ORE SETTLEMENT

Receiving Station: Moab, Utah
SHIPPER Shelco Incorporated
P.O. Box 55
Hanksville, Utah 84734

Date Oct 10, 1977
Month Sampled Sept., 1977
Month Received Sept., 1977

Mining Claim S.L. 34281
Lot No. 801

Cu Price * Less Net

* E & MJ refinery domestic copper wire bar quotation average month ending

Net Weight Pounds	% H ₂ O	Dry Weight Pounds	SETTLEMENT ASSAYS				CONTENTS - POUNDS			
			U ₃ O ₈	V ₂ O ₅	CaCO ₃	Cu	U ₃ O ₈	V ₂ O ₅	CaCO ₃	Cu
26,100	5.5	24,665	.136	1.88			33.54	463.70		

U ₃ O ₈		per lb.	per ton	short tons	42.25	Total Value
.136 % =			21 744	12.3325	X 26.00	435 76
Development Allowance	33.54	50				16 77
TOTAL U ₃ O ₈ VALUE						452 53

Cu		% Less	% =	% =
Pay	% or	Lbs. @	¢ =	
Less Milling Charge				
Haulage Allowance @ 6.00	Per wet ton			

V ₂ O ₅				
1.88% V2O5 = 463.70 lbs.	V2O5 @ .67	X 2.287109		

TOTAL GROSS VALUE		\$ 846 63
DEDUCTIONS	AMOUNT	
NET AMOUNT DUE:		\$

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Seller or Agent

Title

(Please sign and return yellow copy promptly as evidence of acceptance)

ATLAS MINERALS

DIVISION OF ATLAS CORPORATION

P. O. BOX 488

MOAB, UTAH

ORE SETTLEMENT

Correct: _____

Checked: _____

Approved: _____

Receiving Station: Moab, Utah

SHIPPER Shelco Incorporated

P.O. Box 55

Hanksville, Utah 84734

Mining Claim S.L. 34281

Lot No. 786

Date Oct. 10, 1977

Month Sampled Sept., 1977

Month Received Sept., 1977

* E & MJ refinery domestic copper wire bar quotation average month ending

Cu Price *

Less

Net

Net Weight Pounds	% H ₂ O	Dry Weight Pounds	SETTLEMENT ASSAYS				CONTENTS - POUNDS			
			U ₃ O ₈	V ₂ O ₅	CaCO ₃	Cu	U ₃ O ₈	V ₂ O ₅	CaCO ₃	Cu
54,960	8.4	50,350	.156	1.12			78.55	563.92		

U ₃ O ₈	per lb.	per ton	short tons	Total Value
.156 % =		29 59	25.1750 X 42.25	1,210 51
Development Allowance 78.55	50		26.00	39 28

TOTAL U ₃ O ₈ VALUE				1,249 79
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Cu				
% Less	% =	% =		
Pay % or	Lbs. @	¢ =		
Less Milling Charge				

Haulage Allowance @ 5.885	Per wet ton	27.4800	161 72
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V ₂ O ₅ 2.287109			
1.12% V2O5 = 563.92 lbs. V2O5 @ .61 X 2.25			349 66

TOTAL GROSS VALUE	\$1,761 17
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DEDUCTIONS	AMOUNT
NET AMOUNT DUE:	\$

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